



# County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA  
Chief Executive Officer

June 23, 2008

To: Supervisor Yvonne B. Burke, Chair  
Supervisor Gloria Molina  
Supervisor Zev Yaroslavsky  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

From: William T Fujioka  
Chief Executive Officer

A handwritten signature in black ink, appearing to read "W. T. Fujioka", is written over the printed name and title.

Board of Supervisors  
GLORIA MOLINA  
First District

YVONNE B. BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

## REPORT ON DIETARY SERVICES CONTRACTS AT DEPARTMENT OF HEALTH SERVICES FACILITIES (ITEM NO. 35, AGENDA OF JUNE 24, 2008)

On March 25, 2008, on motion by Supervisor Molina, your Board instructed the Chief Executive Officer (CEO) to report back at its June 24, 2008 meeting regarding consolidating the provision of Dietary Services in County hospitals into a single RFP to leverage economies of scale and pricing. As noted on the June 24, 2008 meeting agenda, we have requested a continuance of this report to July 8, 2008.

In addition, as part of that motion, your Board instructed the CEO to report back quarterly on the status of actual and anticipated issues associated with Dietary Services in the LAC+USC Replacement Facility (Replacement Facility), vendor performance, modifications to the current agreement and its impact in the development of a new Request for Proposals (RFP). Our first quarterly report will be provided once operations are transferred to the Replacement Facility.

On March 25, 2008, your Board approved an amendment to the Agreement with Morrison Healthcare, Inc. to extend the term of the Proposition A Dietary Services Agreement to September 30, 2009 and to add concession cafeteria services at the LAC+USC Medical Center (LAC+USC). The Amendment also allowed for a three percent increase in contract cost and authorized the Director to make adjustments to the scope of work that may be necessary relating to the move into the Replacement Facility.

Subsequently, on May 20, 2008, your Board approved amendments to dietary services agreements at four DHS facilities, excluding LAC+USC, at which time DHS advised the Board that an RFP would be released for agreements at the four facilities, in June or July 2008, and recommendations for successor contracts were targeted for Board approval

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in December 2008. That Board action also approved delegated authority to the Interim Director to extend services on a month-to-month basis for an additional six months effective January 1, 2009 through June 30, 2009. This additional extension provides an opportunity for the review and report back regarding the consolidation of dietary services in County hospitals.

DHS, in collaboration with this office, has determined that it is feasible to issue a single solicitation for all dietary services in County hospitals and the Multi-Service Ambulatory Care Centers. However, the timing of the move into the LAC+USC Replacement Facility, and the development of the RFP for dietary services there, will delay the release of the RFP for the other four DHS facilities, previously targeted for June or July 2008. The timing for the consolidated RFP will be based on the timeline required to develop the LAC+USC Replacement Facility scope of work.

DHS staff is working with County Counsel to determine a reasonable method for addressing meal volume at the Replacement Facility in the RFP to obtain meaningful cost proposals. However, a mandatory walk through of the kitchen, cafeteria and service delivery areas at each facility is critical in order to allow proposers an opportunity to appropriately scope and map out their provision of services. As the kitchen area of the Replacement Facility is not fully equipped, the Replacement Facility will not be available for the walk through until the fall 2008.

DHS is finalizing the complete report back on the consolidated RFP, including the anticipated timeline for completing the solicitation process. This report will be provided to your Board for consideration prior to our scheduled presentation at your July 8, 2008 meeting.

Should you have any questions, please contact me or your staff may contact Dorothea Hayes of this office at (213) 974-6837 or at [dhayes@ceo.lacounty.gov](mailto:dhayes@ceo.lacounty.gov).

WTF:SRH:SAS  
MLM:DH:yb

c: Executive Officer, Board of Supervisors  
County Counsel  
Interim Director, Department of Health Services

Dietary Services RFP\_mbs